



# AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)

Overview/State Fiscal Stabilization Funds

# What is the ARRA?

*The American Recovery and Reinvestment Act was passed on February 13, 2009.*

- Goals
  - stimulate the economy in the short term
  - invest in education and other essential public services
  - ensure the long-term economic health


# How much money is Iowa getting?

IDEA, Part B	\$122,095,134
IDEA, Part B Preschool	\$4,141,398
IDEA, Part C	\$3,871,018
Title I	\$51,638,795
Title I, School Improvement	\$15,685,000
Education Technology	\$3,376,407

State Stabilization – Education	\$386,374,000
State Stabilization – Government Services	\$85,966,000

School Lunch Equipment	\$823,633
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# ARRA Principles

- Spend funds quickly to save and create jobs
  - Improve student achievement through school improvement and reform
  - Ensure transparency, reporting and accountability
  - Invest one time ARRA funds thoughtfully to minimize the “funding cliff”
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# Assurances

1. Increase teacher effectiveness and address inequities in the distribution of highly qualified teachers
2. Establish and use a pre-K-through-college- and career-ready data system to track progress and foster continuous improvement

# Assurances

3. Make progress towards rigorous college- and career-ready standards and high-quality assessments that are valid and reliable for all students, including ELL and students with disabilities



# Assurances

4. Provide targeted, intensive support and effective interventions to turn around schools identified for corrective action and restructuring

# Iowa's Commitment

- Shared commitment and responsibility of
    - Superintendents
    - Principals
    - School board members
    - Teachers
    - Parents
    - Students
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# State Fiscal Stabilization Fund (SFSF)

- A new, one-time appropriation awarded to Governors/States to:
  - help stabilize state and local budgets
  - to minimize and avoid reductions in education and other essential services

# State Fiscal Stabilization Fund

- Two components of the Stabilization program:
  - Education Stabilization Fund: \$386,374,000
  - Government Services Stabilization Fund: \$85,966,000

*Restore state support for elementary and secondary education and public higher education.*




# State Fiscal Stabilization Fund



- Awards are made under the Education Stabilization Fund only to local educational agencies (LEAs) and public institutions of higher learning

# State Fiscal Stabilization Fund (Education)


- FY09
    - \$40,000,000 K-12 State Aid
  - FY10
    - \$202,546,705 K-12 State Aid
    - \$13,103,950 Instructional Support Levy
    - \$80,280,000 Regents
    - \$23,100,000 Community Colleges
    - \$2,000,000 PD – Core Curriculum
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# State Fiscal Stabilization Funds

- Application to *USDE* submitted this week (April 27)
- Two-week approval turn-around (USDE)
- 67% total funds can be “drawn down” by states
- Iowa applies for remaining funds in the fall – plan to improve outcomes for the four assurances signed this spring



# LEA Process

- Need to apply for SFSF to DE
  - To apply, all LEAs must sign ARRA assurances
  - Application will be available via EdInfo site  
([www.edinfo.state.ia.us/securelogin.asp](http://www.edinfo.state.ia.us/securelogin.asp))
  - Application by May 4, 2009
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# Stabilization Funds Distribution


- School Aid Foundation Formula
  - Not miscellaneous income
  - Does not affect spending authority

# Stabilization Funds Distribution


- Monthly Payments
  - Included in regular state aid payment
  - Warrant description will break-out ARRA funds
  - Separate accounting will be necessary
  - FY 2009 payment will likely come in June



# SFSF Usage *Examples*


- Prevent layoffs of educators
  - Preserve student support programs
  - Establish instructional leaders or coaches
  - Allow more collaboration among the instructional staff
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# SFSF Usage *Examples*

- Extending time for learning, including extended contracts
  - Extending time for learning for before-, after-school, summer, or extended school year
  - Providing intensive, year-long teacher training
  - Alignment of district's written & taught curriculum to the Iowa Core Curriculum
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# Use of Stabilization Funds

Activities authorized under :


- The Elementary and Secondary Education Act of 1965 (ESEA, including impact aid);
  - The Individuals with Disabilities Education Act (IDEA);
  - The Adult Education and Family Literacy Act (AEFLA); or
  - The Carl D. Perkins Career and Technical Education Act of 2006 (Perkins Act).
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# State Fiscal Stabilization Funds


Other questions answered in guidance:

- How much flexibility do LEAs have in determining activities to support SFSF?
  - Are SFSF awarded through formula considered state funds?
  - How long does an LEA have to obligate funds?
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# ARRA Reporting Requirements

- Web-based system
  - Quarterly reports
  - First report due BEFORE July 15, 2009
  - DE developing common reporting process
  - Webinar will be scheduled
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# ARRA Reporting Requirements

- Reporting will include data on jobs created, jobs saved, uses of funds, and amount of funds expended
  - DE has only 10 day-turnaround to report to USDE
  - Delay in reporting *has consequences*
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# Thank you!

- **Resources**

Iowa Department of Education ARRA Updates  
[www.iowa.gov/educate](http://www.iowa.gov/educate)

- **Contacts**

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# Next Webinars

- **IDEA Part B:** April 28 , 10:30 a.m.-12:00 p.m.  
(Please bring allocation & guidance documents)
- **Title I:** May 1 , 10:30 a.m.-12:00 p.m.
- **IDEA Part B/C:** May 6 , 1:00 p.m.-2:30 p.m.  
(AEAs only)